

Message Text

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TO AMEMBASSY SAIGON

INFO ALL EAST ASIAN AND PACIFIC DIPLOMATIC POSTS

AMCONSUL BIEN HOA

AMCONSUL CAN THO

AMCONSUL DANANG

AMCONSUL HONG KONG

AMCONSUL NHA TRANG

USDEL JEC PARIS

TREAS WASHDC

USSAGE NKP

CINCPAC

XMT AMEMBASSY SUVA

AMEMBASSY RANGOON

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COGARD POLAD

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TAGS:PFOR, XC, US

SUBJECT: MAY 28 EA PRESS SUMMARY

INDOCHINA

1. AMBASSADOR MARTIN, SPEAKING AT MEMORIAL DAY CEREMONY,
URGED NVN TO NEGOTIATE SERIOUSLY WITH SVN TO STOP
FIGHTING AND ABIDE BY C-F ACCORD; SAID "GREATEST
POSSIBLE SPUR" TO PEACE WOULD BE FOR CONGRESS TO
APPROPRIATE FULL 750 MILLION DOLS REQUESTED FOR ECON
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AID TO SVN FOR NEXT FY (WP).

2. GVN SOURCES SAY THIEU'S KEY AIDE AND ASSISTANT FOR POLITICAL AFFAIRS, NGUYEN VAN NGAN, ARRESTED AS PART OF ALLEGED COMMUNIST ESPIONAGE RING. NGAN OWNS SEVERAL SAIGON BUSINESSES, IS SUSPECTED OF AIDING NLF WITH FUNDS AND MEDICAL SUPPLIES. OTHER SOURCES NOTE RECENT POWER STRUGGLE BETWEEN NGAN AND INFO MINISTER NHA, SPECULATE THAT CHARGES AGAINST NGAN AND OUSTER COULD BE PART OF POLITICAL POWER PLAY (CSM). ONLY OFFICIAL ANNOUNCEMENT SAYS NGAN'S OFFICE ABOLISHED FOR BUDGETARY REASONS; SOURCES SAY NGAN'S BANK ACCOUNTS AND HOLDINGS FROZEN AND GVN NSC MEETS TO ASSESS CASE (AP, CHITRIB). SOURCES CLOSE TO DEMOCRACY PARTY SAY FIRING MAY BE FIRST MOVE IN PURGE, SINCE NGAN WAS ON

CENTRAL COMMITTEE AND RESPONSIBLE FOR PARTY FINANCES. DISMISSAL STARTLES SAIGON OBSERVERS WHO SAW NGAN AS STRONGEST BEHIND-THE-SCENES MAN BECAUSE OF HIS CONTROL OVER LEGISLATURE (UPI, NYDN). CONFLICTING REPORTS EMERGE CONCERNING NGAN FIRING: SOME SAY HE AIDED VC, OTHERS THAT DISMISSAL WAS RESULT OF POWER STRUGGLE WITH NHA, STILL OTHERS THAT IT IS FIRST MOVE IN PURGE OF THIEU'S PARTY. NGAN CAN'T BE REACHED FOR COMMENT, REPORTED TO BE UNDER HOUSE ARREST (WP).

3. SHIPER (NYT) NOTES LACK OF CLEAR EXPLANATION FOR DISMISSAL, REVIEWS NGAN'S HISTORY OF ACCRUING POWER SLOWLY AND CAREFULLY AND OF FASHIONING DEMOCRACY PARTY FOR THIEU, AND RIVALRY WITH NHA THAT SEEMS TO "HAVE LITTLE TO DO WITH IDEOLOGY OR EVEN POLICY, BUT SIMPLY WITH POWER."

4. MIL SOURCES REPORT THREE SHARP CLASHES IN QUANG TIN PROVINCE WHERE 65 COMMUNISTS AND 19 GVN MILITIAMEN DIE (UPI, NYDN). MIL SPOKESMAN SAYS ARVN RANGERS WITH AIR AND ARTILLERY SUPPORT TRY FOR SECOND STRAIGHT DAY TO RETAKE OVERRUN VILLAGE 25 MILES NORTH OF SAIGON (WP).

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5. REUTER, FROM HUE, CALLS CITY "HEART" OF VN, THAT REFLECTS MISERIES OF COUNTRYSIDE WITH GENERAL ECON SQUEEZE AGGRAVATED BY LOCAL PROBLEMS. HOUSES DILAPIDATED, PEASANTS AND CLERKS SCRABBLE TO FEED FAMILIES, MANY RESETTLED PEOPLE AND LOCAL FISHERMEN CANNOT KEEP UP WITH INFLATION. MEDICAL SOURCES SAY MANY FARMERS INJURED BY LAND MINES; ARVN SOWS PADDIES WITH MORE TO DENY LAND TO NLF, BUT AS ECON SITUATION

WORSENS MORE PEOPLE TRY TO USE MINED AREAS. UNIVERSITY FACULTY MEMBER SAYS STUDENTS DISTRACTED BY UNCERTAIN FUTURE AND POSSIBILITY THAT HUE MAY BECOME MIL TARGET AGAIN, AND FIND IT HARD TO CONCENTRATE BECAUSE OF CONSTANT HUNGER. THUA THIEN PROVINCE NEVER RICH AGRICULTURALLY, AND FARMERS MUST ALSO FISH TO LIVE, BUT HIGH PRICE OF GASOLINE AND RECENT BAD WEATHER HAVE KEPT THEM FROM GOING FAR ENOUGH OUT TO MAKE GOOD CATCHES. SEVERE FOOD SHORTAGES HAVE HIT NEARBY DISTRICT, BUT LOCAL RELIEF EFFORT SPEARHEADED BY BUDDHIST MONKS HAS RELIEVED SITUATION FOR NOW. MOOD OF CITY HAS UNDERTONE OF ANXIETY AND THOUGH GVN WARNS OF POSSIBLE MIL THREAT, INHABITANTS ARE MORE CONCERNED WITH ECON STRUGGLE (CSM).

6. KHIEU SAMPHAN ENDS TWO-MONTH TOUR OF SOCIALIST

COUNTRIES IN ME AND AFRICA, ARRIVES IN HANOI FROM PEKING WHERE EXPECTED TO MEET WITH NVN OFFICIALS BEFORE RETURNING TO COMMUNIST-CONTROLLED AREA IN CAMBODIA (WP). UPI HK REPORTS NCNA SAYS SAMPHAN LEFT PEKING AFTER TALKS, AND THAT CHINA PROMISES CAMBODIAN REBELS FREE MIL AID "FOR THE REST OF 1974" (NYDN). SUN'S WU FROM HK NOTES SAMPHAN TRAVELED TO ELEVEN COUNTRIES, AND ANNOUNCEMENT OF FRESH CHINESE MIL AID COINCIDES WITH RENEWED ATTACKS ON AND AROUND PP. OBSERVES THAT AID AGREEMENT SIGNING "UNDERScoreD" BY PRESENCE OF SIHANOUK AND CHOU, WHO RECENTLY CURTAILED "NONESSENTIAL" PUBLIC FUNCTIONS DUE TO POOR HEALTH AND CAREFULLY CHOOSES WHAT HE ATTENDS; THEREFORE SIGNING CEREMONY REGARDED AS DELIBERATE GESTURE TO REAFFIRM CHINA'S CLOSE TIES WITH SIHANOUK'S GOVT-IN-EXILE. WU SEES SAMPHAN AS DE FACTO RULER OF CAMBODIAN REBEL UNCLASSIFIED

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AREA, CLAIMED TO INCLUDE 90 PERCENT OF TERRITORY AND 80 PERCENT OF POPULATION. SAMPHAN AT FAREWELL BANQUET PRAISED CHINESE AID EFFUSIVELY BUT AGREEMENT DID NOT DISCLOSE TYPE AND AMOUNT OF ASSISTANCE. SIHANOUK SAYS GKR IS RECEIVING 660 MILLION DOLS IN MIL AND OTHER AID FROM US IN 1974, WHILE 1973 TOTAL WAS 350 MILLION. IN JOINT COMMUNIQUE ISSUED AT END OF SAMPHAN VISIT, CHINA CONDEMNED US FOR "CONTINUING THE WAR OF AGGRESSION" AND USING LON NOL GOVT. AS TOOL, AND DEMANDED THAT US STOP ALL FORMS OF SUPPORT TO GKR.

7. IN FINAL OF TWO ARTICLES ON POWS WHO RETURNED AND MIAS, SUN'S ETTLIN AND HORTON REPORT THAT MIA FAMILIES INCREASINGLY "TAKING MATTERS INTO THEIR OWN HANDS" SINCE THEY ARE FRUSTRATED BY APPARENT INABILITY OF USG

TO ACCOUNT FOR MIAS. MD.-N.VA. CHAPTER OF NATL. LEAGUE OF FAMILIES IS CALLED ONE OF MOST ACTIVE, WAGES BATTLE TO KEEP CASE BEFORE PUBLIC, INCLUDING RECENT TRIP BY ONE MEMBER TO NEW "PATHET LAO GOVERNMENT IN LAOS". ALSO LOBBYING FOR AMENDMENT TO TRADE REFORM BILL, SPONSORED BY SEN GURNEY, TO BRING SANCTIONS AGAINST ANY COUNTRY - PRINCIPALLY THE USSR - UNLESS IT EXERTS PRESSURE ON NVN FOR AN ACCOUNTING OF US MIAS. DOD WARNS THAT "ANSWERS WILL NOT COME EASILY." ARTICLE REVIEWS WORK OF FPJMT, GIVES LOCKHART, WEST AND MENGES CASES AS EXAMPLES OF INCONCLUSIVE INFORMATION THAT HAUNTS MIA FAMILIES. AID OFFICIAL, WHO RECENTLY RETURNED FROM SEA AND WHO DOES NOT WISH TO BE IDENTIFIED, IS QUOTED THAT IT IS "HIGHLY POSSIBLE" THAT A FEW MIAS MAY BE ALIVE AND IMPRISONED. DOD REQUIRED TO MAKE ANNUAL REVIEW TO DETERMINE WHETHER TO CONTINUE CARRYING EACH MAN AS MIA OR TO DECLARE LEGALLY DEAD. BOTH

MIA GROUPS THAT HAVE VISITED NVN AND VOICES IN VITAL AMERICA CLAIM HANOI SAID WILL NO LONGER BE ACCOUNTABLE IN FINDING SERVICEMEN DECLARED DEAD. NATL. LEAGUE OF FAMILIES CONVENTION IN OMAHA THIS SUMMER MAY SURFACE "MORE ACTIVIST APPROACH" TO PROBLEM.

CHINA

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8. REUTERS QUOTES OFFICIAL CHINESE SOURCES DISMISSING AS "SHEER BLACKMAIL" SOVIET PROPOSAL LAST WEEK WHICH WOULD PERMIT PRC SHIPS TO USE WATERWAYS ALONG COMMON BORDER, IF PRC RESPECTS SOVIET TERRITORIAL INTEGRITY. PRC SOURCES SAID THIS WOULD AMOUNT TO SURRENDERING TO SOVIET VIEW THAT BORDER RIVERS BELONG TO USSR, RATHER THAN THAT BORDER RUNS ALONG MAIN CHANNELS (NYT).

9. IN HK, CDN'S KEYES BEECH (NYPOST, 5/24), COVERING MARINE WITHDRAWAL FROM PEKING, SAID DIPLOMATIC CIRCLES IN HK AND PEKING REGARD MOVE AS UNMISTAKABLE SNUB. CHINA WATCHERS DID NOT THINK DETENTE WAS IN REAL DANGER, HOWEVER, SO LONG AS PRC REMAINED AT LOGGERHEADS WITH USSR. BUT THAT COULD CHANGE IF CHINA'S ULTRA-RADICALS GAIN UPPER HAND IN THEIR CAMPAIGN AGAINST CHOU, WHO IS FADING FROM PUBLIC SCENE "BECAUSE OF PHYSICAL OR POLITICAL ILL HEALTH OR BOTH."

10. BACK FROM CHINA, WASHINGTON GOVERNOR DAN EVANS BELIEVES IT WILL BE SEVERAL YEARS BEFORE US-PRC TRADE WILL BE SIGNIFICANT. CHINESE "DON'T WANT

TO RELY ON ANY COUNTRY FOR BASIC GOODS AND WILL IMPORT ONLY WHAT THEY WANT", AT LEAST FOR NOW; BUT EVENTUALLY, THEIR SHEER NUMBERS WILL MAKE THEM LARGE CUSTOMERS FOR WESTERN WORLD (CSM).

11. JOC'S STRAUSS IN HK REPORTS HKG ANNOUNCEMENT OF AGREEMENT WITH US ON THREE YEAR TEXTILE PACT EFFECTIVE OCT. 1. NEW ARRANGEMENT SETS INITIAL QUOTA AT 835 MILLION SQUARE YARDS (COMPARED WITH CURRENT 792 MILLION), WITH 6.25 PERCENT ANNUAL QUOTA INCREASE. HK WILL ALSO HAVE ADDITIONAL FLEXIBILITY TO SWITCH BETWEEN COTTON AND SYNTHETICS. STRAUSS SAYS TAIWAN'S TEXTILES ACCOUNTED FOR 24 PERCENT OF US IMPORTS IN 1973, KOREA'S 19 PERCENT, HK 12 PERCENT; NOW TAIWAN MERCHANTS FEEL STRONG COMPETITION COMING FROM THE OTHER TWO. IN SEPARATE ARTICLE, STRAUSS CITES FNCB REPORT THAT HK GARMENT EXPORTS GREW 22.9 PERCENT LAST YEAR TO 1.48 BILLION DOLLARS,

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OF WHICH 30.5 PERCENT WAS SHIPPED TO US; 1974 EXPECTED TO BE ANOTHER YEAR OF DRAMATIC GROWTH, WITH JAPAN MOST LIKELY AREA OF EXPANSION. STRAUSS SAYS FNCB ALSO PREDICTED CONTINUING SHARP RISE IN ELECTRONICS EXPORTS WHICH IN 1973 ROSE 33.6 PERCENT TO 524 MILLION DOLS.

12. AFP REPORTS FORMER PM HEATH PAID 30-MINUTE VISIT TO FRENCH SCIENCE - INDUSTRY - TECHNICAL EXHIBIT IN PEKING (WP).

KOREA

13. FROM TOKYO, OBERDORFER (WP) REPORTS ROKG FORMALLY CHARGED 54 PEOPLE (INCLUDING TWO JAPANESE DESCRIBED AS LINKS BETWEEN SK STUDENT ACTIVISTS AND PRO-COMMUNIST ELEMENTS IN JAPAN) WITH PLOTTING TO OVERTHROW PARK GOVT. AMONG THOSE ARRESTED WERE KOREA'S BEST KNOWN POET, KIM CHI HA, WHO HAD BEEN ARRESTED SEVERAL YEARS AGO FOR VERSE SATIRIZING CORRUPTION. KIM CHARGED WITH SUPPLYING 25000 DOLS TO FINANCE ANTI-GOVT. ACTIVITIES. ALSO INDICTED WERE AT LEAST FIVE TOP OFFICERS OF STUDENT CHRISTIAN FEDERATION. ABOUT 200 OTHERS STILL UNDER INVESTIGATION, 745 HAVE BEEN REPRIMANDED AND RELEASED. ALL FACE COURT MARTIAL; PENALTIES COULD RANGE FROM FIVE YEARS TO DEATH. OBERDORFER QUOTES OHIRA IN TOKYO PRESS CONFERENCE ASKING FOR HUMANE TREATMENT FOR JAPANESE PRISONERS, ADDING THAT GOJ WILL DECIDE ON FURTHER ACTION AFTER SEEING RESULTS OF COURT MARTIAL. OBERDORFER SAYS

GROWING STUDENT DEMONSTRATIONS AND PUBLIC STATEMENTS OF DISSATISFACTION BY CIVIC AND RELIGIOUS LEADERS HAVE BEEN SUPPRESSED BY ARRESTS AND PRESIDENTIAL DECREES. ROKG STATEMENTS SEEK TO MAKE CONNECTION BETWEEN ITS OPPONENTS AND COMMUNIST ELEMENTS IN NK AND JAPAN. NYT SPECIAL FROM SEOUL HAS SIMILAR REPORT, ADDING THAT ONE OF ARRESTED JAPANESE ALSO CHARGED WITH OFFERING TO HELP PROCURE WEAPONS FROM NK.

JAPAN

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14. FROM MOSCOW, WP AND SUN REPORTS SOVIET OIL MINISTER'S PRESS CONFERENCE IN WHICH HE VIRTUALLY RULED OUT ANY POSSIBILITY OF JAPANESE PARTICIPATION IN LONG-DISCUSSED SIBERIAN OIL DEVELOPMENT. KAISER (WP) NOTES THAT NATURAL GAS EXPLORATION AGREEMENT SIGNED BY JAPAN AND USSR LAST APRIL IS CONDITIONAL ON US PARTICIPATION, WHICH IS HELD UP BY CONGRESSIONAL OBJECTIONS TO EX-IM FINANCING. SUN NOTES THAT JAPANESE

BUSINESSMEN, BACKED WITH GOVT. AUTHORIZED LINE OF CREDIT FOR 1.05 BILLION DOLS, HAVE AGREEMENT ON PACKAGE DEAL DEVELOP SIBERIAN COAL, GAS AND TIMBER.

15. JOC CARRIES FULL SPECIAL SECTION ENTITLED "JAPAN: EMERGING SUPERSTATE REAPPRAISES THE FUTURE," WITH FRONT PAGE ARTICLES BY FUKUDA, OHIRA, NAKASONE, UCHIDA, AND PRESIDENTS OF JETRO AND AMCHAM IN JAPAN.

16. OTHER JAPAN BUSINESS NEWS (ALL FROM JOC REPORTS): MINING AND MFG. INDUSTRY PRODUCTION INDEX DROPPED 1.8 PERCENT IN APRIL FROM MARCH, WITH LARGEST DROPS IN FOOD AND TOBACCO, PULP AND PAPER, AND METAL PRODUCTS. JAPAN AND INDIA HAVE SIGNED AGREEMENT FOR SALE OF 150,000 TONS OF UREA THIS YEAR, AT PRICE ESTIMATED BY INDUSTRY SOURCES AS 250 DOLLARS PER TON, DOUBLE LAST YEAR'S. AND AMSTERDAM, SAYS JOC, IS JAPAN'S FINANCIAL CENTER IN EUROPE, WITH FOUR MAJOR STOCKBROKERS AND TWO BANKS OPERATING THERE; 21 FIRMS NOW QUOTED ON AMSTERDAM EXCHANGE, MANY OTHERS ABOUT TO FOLLOW.

17. FROM ROTTERDAM, JOC ALSO REPORTS SHARP REVERSAL OF JAPAN-EUROPE TRADE AS MORE EUROPEAN GOODS ARE BEING SOLD TO JAPAN. MITSUBISHI RECENTLY ESTABLISHED A CENTER IN ROTTERDAM TO BUY EUROPEAN GOODS; IT HAS FOUND THAT MANY EUROPEAN GOODS ARE LESS EXPENSIVE THAN SIMILAR ONES DEVELOPED IN JAPAN. THIS APPLIES

TO A NUMBER OF SECTORS, INCLUDING HEAVY MACHINERY.

18. WSJ QUOTES SHOWA DENKO KK THAT PHILLIPS PETROLEUM
PARING ITS INVESTMENTS IN JAPAN.

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PHILIPPINES

19. AFP MANILA (WP) REPORTS THREE-MAN AEROFLOT
MISSION IN MANILA TO FOLLOW UP AEROFLOT PROPOSAL
TO OPEN AIR ROUTE TO PHILS. MISSION LEADER SAID
DELEGATION WAS DISCUSSING "TECHNICAL DETAILS" OF
PROPOSAL WITH PHIL CIVIL AVIATION OFFICIALS.

COMMENT AND ANALYSIS

CHINA

20. CHITRIB'S JOHN MACLEAN SAYS US-CHINA TRADE
HAS NOT BEEN THE BOOM SOME EXPECTED. WHILE IT HAS
GROWN 10 TIMES SINCE 1972 WHEN US EXPORTED GOODS
WORTH 62.5 MILLION - IMPORTS THAT YEAR TOTALED 33

MILLION DOLS - THE TOTAL STILL IS ONLY HALF OF ONE
PERCENT OF US FOREIGN TRADE. THERE IS STILL MONEY
TO BE MADE, BUT IT REQUIRES PATIENCE AND PERSISTENCE.
ONE CHICAGO BUSINESSMAN WAITED NEARLY A YEAR AFTER
CONTACTING PRCLO ON HIS OWN BEFORE HE RECEIVED AN
INVITATION TO CANTON FAIR. CHINESE HAVE GRADUALLY
INVITED MORE US FIRMS TO FAIR - MORE THIS YEAR FOR
120 TOTAL. THIS STILL LEAVES US WITH SLIGHT REPRESENTATION
AMONG 25,000 FIRMS INVITED, WHICH IS CONSIDERED
AN ESSENTIAL STEP IN ESTABLISHING LONG-TERM BUSINESS
RELATIONS.

CHINESE BUSINESS PRACTICES DIFFER FROM US,
BUT BOTH SIDES MAKING EFFORT TO UNDERSTAND EACH
OTHER. BUSINESSMEN PRESENTING THEMSELVES AT PRCLO
NOTE THAT CHINESE SELDOM INTRODUCE THEMSELVES BY
NAME, DO NOT GIVE CARDS UNLESS ASKED. CHINESE EMPHASIS
ON GROUP, NOT INDIVIDUAL, EXTENDS TO UNWILLINGNESS
TO PUT PRIVATE COMPANY NAMES OR LABELS ON MANUFACTURED
GOODS. THEY HAVE TROUBLE UNDERSTANDING CONCEPT
OF PROFIT AND US MARKET PRACTICES. QUANTITY DISCOUNTS
AND TRIAL MARKETING ARE BAFFLING TO THEM. ONE IMPORTER
BALKED AT TRADITIONAL PACKING METHODS WHEN HE FOUND
THAT AN ORDER OF 600 DOZEN HANDKERCHIEFS WERE TO
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ARRIVE STUFFED IN ONE BALE; COMPLAINTS ABOUT INSUFFICIENT QUANTITIES HAVE BEEN PERSISTENT. USG ESTIMATES US WILL EXPORT 1.1 TO 1.3 BILLION DOLS OF GOODS TO CHINA THIS YEAR, AND IMPORT 100 TO 120 MILLION. 12 TO 1 TRADE ADVANTAGE FOR US PARTLY DUE TO FAILURE OF CONGRESS TO GRANT MFN STATUS TO PRC.

WHILE CHINESE EXPORT TIN, ANIMAL BRISTLES FOR BRUSHES, SILKS, AND ANTIQUES AND WORKS OF ART, US TRADE BARRIERS PREVENT THEM FROM SELLING MANUFACTURED GOODS SUCH AS BICYCLES. CHINESE TAKE IRONIC VIEW OF SEN. JACKSON'S EFFORTS TO HOLD UP MFN TRADING STATUS FOR USSR AND CHINA BY INSISTING ON FREEDOM OF EMIGRATION. HIGH-RANKING PRCLO OFFICIAL TOLD US OFFICIAL, "TELL THE SENATOR WE ADMIRE HIM GREATLY. IN FACT WE ARE PREPARED TO GIVE HIM A COMMITMENT THAT CHINA WILL PROVIDE A FLOOD OF 10 TO 20 MILLION CHINESE TO THE STATE OF WASHINGTON IF THE US WILL ALLOW THEM TO COME IN."

KOREA

21. HARVARD'S JEROME COHEN AND TUFTS' GREG HENDERSON WRITE JOINTLY TO NYT EDITOR VIEWING PARK'S APRIL

3 EMERGENCY DECREE AND SUBSEQUENT DETENTIONS OF SOME 240 STUDENTS, CHRISTIANS AND INTELLECTUALS AS REMOVING LAST PROP FROM OUR KOREAN POLICY. FOR NEARLY 30 YEARS AMERICANS TOLD BY OUR HIGHEST AUTHORITIES THAT PURPOSE OF US AID TO KOREA (NOW OVER 12 BILLION DOLS) WAS TO DEFEND DEMOCRACY, BUT TODAY SK DECREES MARK IT AS MORE FEROCIOUSLY ANTI-DEMOCRATIC AND INTOLERANT OF ITS CITIZENS THAN IS EVEN USSR. SEOUL IS ARMED CAMP UNDER GARRISON COMMANDER. OTHER KOREAN TROOPS ARE UNDER FOUR-STAR US GENERAL AND CAN BE ORDERED TO SUPPRESS WITH US ARMS SLIGHTEST EXPRESSIONS OF KOREAN DEMOCRACY. EVEN IF DEFENSE AND SECURITY ALONE WERE OUR AIM, PRESENT ROK DECREES RADICALLY UNDERMINE THAT OBJECTIVE. US INFLUENCE IS GONE: WE COULD NOT EVEN OBTAIN RELEASE OF MODERATE DEMOCRATIC OPPOSITION LEADER INVITED TO HARVARD WHOM PARK GOVT. UNCLASSIFIED

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ABDUCTED IN OUTRAGEOUS FLOUTING OF INTERNATIONAL LAW; NOR COULD WE IMPEDE 29-MONTH-LONG DESCENT INTO TOTALITARIANISM. NEVERTHELESS, ADMIN IS INCREASING

ITS MILITARY AID REQUEST FOR SEOUL TO 252.8 MILLION DOLS. IT IS TIME WE BLOW THE WHISTLE BEFORE WE ARE MIREN IN SERIOUS BLOW-UP IN WORLD'S MOST DANGEROUS 85,000 SQUARE MILES. US AND USSR SHOULD STOP TREATING TWO KOREAS AS CLIENT STATES AND SHOULD NOW ACCELERATE CRUCIAL PROCESS OF REDUCING OUR MILITARY AID TO RIVAL REGIMES. MOREOVER, SFRC AND HFAC SHOULD HOLD PUBLIC HEARINGS ON KOREA TO AIR MANY COMPLEX PROBLEMS TOO LONG IGNORED BY AMERICAN PEOPLE.

VIETNAM

22. DISCUSSING HOUSE CUT OF ADMIN'S 1.6 BILLION DOL REQUEST FOR MILITARY AID TO SAIGON TO 1.12 BILLION, NY POST (MAY 24) SAYS MOST TAXPAYERS MUST BE AWARE THAT SITUATION IN VN IS NOTHING MORE THAN A HOLDING OPERATION - IN WHICH THEY HAVE BEEN LEFT WITH THE BAG. REFERRING TO ADMIN'S INSISTENCE ON MORE FUNDING, SAYS IT WAS DISAPPOINTING TO HEAR DEFSEC MAINTAIN THAT US IS HELPING S VIETS "SURVIVE." ASSERTS THAT S VIETS ARE IN FACT PERISHING AND SUFFERING AS BLOODY, DEAD-END WAR BLAZES ON; ALL THAT IS PRESERVED IS WRETCHED DICTATORSHIP IN SAIGON. SAYS IT IS LAMENTABLE THAT CONGRESS REMAINS PREPARED TO TURN OVER ANOTHER THOUSAND MILLION DOLLARS IN AID TO THIEU REGIME. "THERE IS, AT LEAST, THE HOPE THAT THE PAYMENT WILL BE ONE OF THE LAST."

23. IN SEPARATE EDIT, NYP DEPLORES US ACTION TO DENY US CONTRIBUTIONS TO UNICEF FOR COMMUNIST AREAS

IN VN, CALLS IT EXAMPLE OF IMPOTENT RAGE, WITHOUT MORAL FORCE, AND PETTY AND PUERILE.

NARCOTICS

24. WP'S JACK ANDERSON REPORTS CHINESE OPIUM SMUGGLING RING HAS HEADQUARTERS IN TAIPEI, BUT CREDITS TAIWAN UNCLASSIFIED

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POLICE WITH KEEPING NARC CHIEFTAINS UNDER CLOSE SURVEILLANCE AND WORKING WITH US AUTHORITIES TO DISRUPT OPERATIONS. GOOD LAW ENFORCEMENT, HOWEVER, HAS DRIVEN INDEPENDENT CHINESE SMUGGLERS INTO TIGHTLY DISCIPLINED ORGANIZATION WITH TIES TO FOREIGN BANKS. PRIOR TO FORMATION OF SYNDICATE, HK NARC AGENTS IN PAST FEW MONTHS INTERCEPTED SEVERAL TRAWLERS RUNNING OPIUM TO HK FOR CONVERSION TO HEROIN. SEIZURES SLOWED TRADE FOR 6 TO 7 WEEKS, FORCING UP HEROIN PRICE 100 PERCENT FOR A WHILE, ACCORDING INTELLIGENCE

SOURCES. HK AGENT ALSO SEIZED CHEMICAL USED TO
PROCESS HEROIN; SEIZURE FOLLOWED BY POLICE RAID
ON THREE OF HK'S MOST IMPORTANT HEROIN LABS.

US ALSO PUT HEAT ON S VIET AND THAI AUTHORITIES
TO MAKE MORE DRUG ARRESTS. WITH ORIENTAL GUILF,
SOME POLICE ARRANGED WITH CABBIES TO STASH MARIJUANA
IN THEIR HACKS. WHEN AN AMERICAN FARE IS PICKED
UP, HACKER SIGNALS POLICE WHO ARREST UNSUSPECTING
AMERICAN FOR POSSESSION OF MARIJUANA. THIS INCREASES
NUMBER OF ARRESTS. ALTHOUGH NOT IN WAY US INTENDED. RUSH

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